



STATE OF NEVADA

Department of Conservation & Natural Resources

DIVISION OF ENVIRONMENTAL PROTECTION

Jim Gibbons, Governor

Allen Biaggi, Director

Leo M. Drozdoff, P.E., Administrator

Notice of Proposed Action

October 31, 2007

Pursuant to Nevada Revised Statutes (NRS) Chapter 445B, the Nevada Administrative Code (NAC) Chapter 445B, and the Clean Air Act, the Division of Environmental Protection is issuing the following notice.

The Administrator received an application to issue an operating permit to construct for a Class I facility from the following applicant:

Sierra Pacific Resources Company
6226 West Sahara Avenue
Las Vegas, Nevada 89146

The project is located in northern Nevada, approximately 30 miles north of Ely, Nevada west of Highway 93. The Administrator has prepared tentative determinations regarding the operating permit that, in brief, are the following:

- Two 750-MW PC boilers (nominal)
- A coal delivery system
- A coal unloading system
- A dead coal storage system
- A live coal storage, crushing, and conveying system
- A coal reclamation system
- Coal bunkers for storage of coal prior to firing
- Lime and soda ash storage silos
- Fly ash storage silos
- Fly ash loading system
- Bottom ash storage silos
- Multi-cell mechanical draft cooling towers
- Distillate oil storage tank for locomotive refueling
- Distillate oil storage tank for boiler ignition fuel, auxiliary boiler fuel, diesel engine generator, and diesel fire water pump fuel
- Ammonia storage tank system
- Powdered activated carbon storage silo
- Gypsum stockout pile
- Magnesium Hydroxide silo
- Limestone Storage Pile
- Various engine driven auxiliary pumps and generators

For this proposed facility, two ambient air impact studies were conducted: one to demonstrate compliance with the Nevada Ambient Air Quality Standards (NAAQS), and one to demonstrate compliance with the allowable Prevention of Significant Deterioration (PSD) Increment Standards.

The significant impact analysis showed that maximum CO concentrations are below modeling significance levels for the EEC sources; therefore, operation of the EEC

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sources will not significantly impact ambient concentrations. The results of the modeling analysis indicate that the air quality impacts from the Sierra Pacific Resources facility will not exceed either the NAAQS or the Class II Increment Levels for NO₂, SO₂ and PM₁₀.

Following are the NAAQS results, with the applicable standard and the applicable averaging periods for the above mentioned pollutants. All values are in micrograms per cubic meter:

PM ₁₀	Annual Period result	= 16.4	standard = 50
	24-hour Period result	= 50.9	standard = 150
NO ₂	Annual Period result	= 8.9	standard = 100
	3-hour Period result	= 180	standard = 1,300
SO ₂	24-hour Period result	= 37.0	standard = 365
	Annual Period result	= 9.9	standard = 80
Lead	Monthly Period result	= 0.00059	standard = 1.5
O ₃	1-hour Period result	= 225	standard = 235

Following are the PSD Increment Standards (Class II Area), with the applicable standard in parenthesis and the applicable averaging periods for the above mentioned pollutants:

PM ₁₀	Annual Period result	= 9.4	standard = 17
	24-hour Period result	= 25.8	standard = 30
NO ₂	Annual Period result	= 5.2	standard = 25
	3-hour Period result	= 94.4	standard = 512
SO ₂	24-hour Period result	= 27.4	standard = 91
	Annual Period result	= 6.9	standard = 20

On the basis of the preliminary review and the requirements of the NRS, the NAC and the Clean Air Act the Administrator is hereby announcing his intent to issue a Class I air quality operating permit to construct based on a review of the information, as proposed. A copy of the draft operating permit to construct will be available for public inspection after November 5, 2007, on the NDEP-BAPC website (<http://ndep.nv.gov/bapc/index.htm>) and at the following locations:

WHITE PINE COUNTY LIBRARY
950 CAMPTON STREET
ELY NV 89301
(775) 289-3737

ELKO COUNTY LIBRARY
720 COURT STREET
ELKO NV 89801
(775) 738-3077

Persons wishing to comment upon the proposed determinations by the Administrator regarding this proposed action should submit their comments or request in writing either in person or by mail to:

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Francisco Vega
Nevada Division of Environmental Protection
Bureau of Air Pollution Control
901 South Stewart Street, Suite 4001
Carson City, Nevada 89701-5249
(775) 687-9343
(775) 687-6396 FAX

The application, draft permit, any comments received, and other relevant information may be viewed at the above address or copies may be obtained by requesting in writing at the above address. Public comments will be received through the close of the public hearing referenced below, and will be retained and considered prior to final action on the Class I operating permit to construct.

Pursuant to NAC 445B.3364(9), the Administrator is providing notice of a Public Hearing on the proposed action. The Public Hearing will be on Wednesday, January 9, 2008 in Ely, Nevada at 6:00 pm at the following location:

BRISTLECONE CONVENTION CENTER
BRISTLECONE ROOM
150 SIXTH STREET
ELY NV 89301

Please bring the foregoing notice to the attention of all persons whom you know may be interested in this matter.